

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

IN RE:	:	Chapter 11
	:	
	:	Case No. 24-12534 (JKS)
CarePoint Health Systems Inc. d/b/a Just Health	:	
Foundation, <i>et al.</i> ¹	:	(Jointly administered)
	:	
Debtors.	:	Re: Docket Nos. 551, 730
	:	

**LIMITED OBJECTION OF HORIZON HEALTH CARE SERVICES, INC.
AND AFFILIATES TO SCHEDULE OF ASSUMED EXECUTORY CONTRACTS
AND UNEXPIRED LEASES FILED IN CONNECTION
WITH DEBTORS' COMBINED PLAN AND DISCLOSURE STATEMENT**

Horizon Healthcare Services, Inc. d/b/a Horizon Blue Cross Blue Shield of New Jersey, Horizon Healthcare of New Jersey, Inc. d/b/a Horizon NJ Health, Horizon Casualty Services, Inc., Horizon Health Behavioral Health Services, and possibly other affiliates (collectively, “Horizon”), by and through its undersigned counsel, hereby files the following limited objection and reservation of rights (the “Limited Objection”) to the *Schedule of Assumed Executory Contracts and Unexpired Leases* [Docket No. 730-6] (the “Assumption Schedule”) included in the *Notice of Filing of Plan Supplement to the Combined Disclosure Statement and Joint Chapter 11 Plan Proposed by the Debtors and the Official Committee of Unsecured Creditors* [Docket No. 730]

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification number are: (i) Bayonne Intermediate Holdco, LLC (7716); (ii) Benego CarePoint, LLC (2199); (iii) Briar Hill CarePoint, LLC (iv) CarePoint Health Management Associates Intermediate Holdco, LLC (none); (v) CarePoint Health Management Associates, LLC d/b/a CarePoint Health (3478); (vi) CarePoint Health Systems, Inc. d/b/a Just Health Foundation (6996); (vii) CH Hudson Holdco, LLC (3376); (viii) Christ Intermediate Holdco, LLC (3376); (ix) Evergreen Community Assets (1726); (x) Garden State Healthcare Associates, LLC (4414); (xi) Hoboken Intermediate Holdco, LLC (2105); (xii) Hudson Hospital Holdco, LLC (3869); (xiii) Hudson Hospital Opco, LLC d/b/a CarePoint Health-Christ Hospital (0608); (xiv) HUMC Holdco, LLC (3488); (xv) HUMCO Opco, LLC d/b/a CarePoint Health-Hoboken University Medical Center (7328); (xvi) IJKG, LLC (7430); (xvii) Just Health MSO, LLC (1593); (xviii) New Jersey Medical and Health Associates d/b/a CarePoint Health Medical Group (0232); (xix) Quality Care Associates, LLC (4710); (xx) Sequoia BMC Holdco, LLC (9812); and (xxi) IJKG Opco LLC d/b/a CarePoint Health-Bayonne Medical Center (2063). The address for CarePoint Health Systems Inc. is 308 Willow Avenue, Hoboken, NJ 07030.

(the “Plan Supplement”) filed by the debtors in the above-captioned proceeding (collectively, the “Debtors”) in connection with their *Fourth Amended Combined Disclosure Statement and Joint Chapter 11 Plan of Reorganization* (the “Combined Disclosure Statement and Plan”) [Docket No. 551], and in support thereof states as follows:

BACKGROUND

1. On November 3, 2024 (the “Petition Date”), the Debtors each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* (the “Bankruptcy Code”) in the United States Bankruptcy Court for the District of Delaware (the “Court”).

2. The Debtors continue to operate the business and manage their properties as debtors and debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. On January 24, 2025, Debtors filed the Combined Disclosure Statement, which was approved by the Court on an interim basis. *See* Docket No. 555.

4. On February 20, 2025, Debtors filed the Assumption Schedule, which identifies the Executory Contracts and Unexpired Leases to be assumed pursuant to the Combined Disclosure Statement and Plan, including the following contracts between the Debtors and Horizon (the “Horizon Contracts”):

Contract ID	Case No.	Debtor	Contract Counterparty	Description	Payor Agreement
121	24-12538	CarePoint Health Management Associates, LLC d/b/a CarePoint Health	Horizon Healthcare Services, Inc. d/b/a Horizon Blue Cross Blue Shield of New Jersey	Business Associate Agreement (Stand Alone) & Data Use Agreement No. 1001.3821C	No
327	24-12543	Garden State Healthcare Associates, LLC	Horizon Casualty Services, Inc.	Affiliation Agreement No. 1006.1633C	No
325	24-12543	Garden State Healthcare Associates, LLC	Horizon Casualty Services, Inc.	Physician Group: Professional Service Agreement No. 1006.2194C	No
326	24-12543	Garden State Healthcare Associates, LLC	Horizon Healthcare of New Jersey, Inc. d/b/a Horizon NJ Health	Managed Long Term Services and Support Provider Agreement	Yes
328	24-12543	Garden State Healthcare Associates, LLC	Horizon Healthcare of New Jersey, Inc. d/b/a Horizon NJ Health	Physician Group Agreement	Yes
329	24-12543	Garden State Healthcare Associates, LLC	Horizon Healthcare of New Jersey, Inc. d/b/a Horizon NJ Health	Physician Group: Professional Service Agreement No. 1006.3213C	No
330	24-12543	Garden State Healthcare Associates, LLC	Horizon Healthcare of New Jersey, Inc. d/b/a Horizon NJ Health	Specialty Provider Group Agreement	Yes
331	24-12543	Garden State Healthcare Associates, LLC	Horizon Healthcare Services, Inc. d/b/a Horizon Blue Cross Blue Shield of New Jersey	Participating Physicians and Healthcare Professionals	Yes
606	24-12546	Hudson Hospital Opco LLC d/b/a CarePoint Health-Christ Hospital	Horizon Casualty Services, Inc.	Hospital Agreement for Managed Care Program effective 10/01/2017	Yes
607	24-12546	Hudson Hospital Opco LLC d/b/a CarePoint Health-Christ Hospital	Horizon Health Behavioral Health Services	Services Agreement No. 1002.910C	No
608	24-12546	Hudson Hospital Opco LLC d/b/a CarePoint Health-Christ Hospital	Horizon Healthcare of New Jersey, Inc. d/b/a Horizon NJ Health	Hospital Agreement	Yes
609	24-12546	Hudson Hospital Opco LLC d/b/a CarePoint Health-Christ Hospital	Horizon Healthcare Services, Inc. d/b/a Horizon Blue Cross Blue Shield of New Jersey	Network Hospital Agreement and all Appendices	Yes
610	24-12546	Hudson Hospital Opco LLC d/b/a CarePoint Health-Christ Hospital	Horizon NJ Health (Medicaid)	Managed Care Agreement No. 1002.4098C	No
812	24-12548	HUMCO Opco LLC d/b/a CarePoint Health-Hoboken University Medical Center	Horizon Casualty Services, Inc.	Hospital Agreement for Managed Care Programs - 10/01/2017	Yes
813	24-12548	HUMCO Opco LLC d/b/a CarePoint Health-Hoboken University Medical Center	Horizon Health Behavioral Health Services	Sevices Agreement No. 1003.1066C	No
814	24-12548	HUMCO Opco LLC d/b/a CarePoint Health-Hoboken University Medical Center	Horizon Healthcare Services, Inc. d/b/a Horizon Blue Cross Blue Shield of New Jersey	Managed Care Agreement No. 1003.1080C	No
815	24-12548	HUMCO Opco LLC d/b/a CarePoint Health-Hoboken University Medical Center	Horizon Healthcare of New Jersey, Inc. d/b/a Horizon NJ Health	Amendment to Hospital Services Agreement - 09/01/2012	Yes
816	24-12548	HUMCO Opco LLC d/b/a CarePoint Health-Hoboken University Medical Center	Horizon Healthcare Services, Inc. d/b/a Horizon Blue Cross Blue Shield of New Jersey	Hospital Agreement	Yes
817	24-12548	HUMCO Opco LLC d/b/a CarePoint Health-Hoboken University Medical Center	Horizon NJ Health (Medicaid)	Managed Care Agreement No. 1003.4017C	No
1101	24-12551	IJG Opco, LLC d/b/a CarePoint Bayonne Medical Center	Horizon Blue Cross Blue Shield of New Jersey	Network Hospital Agreement effective 10/01/2017 and all Appendices	Yes
1102	24-12551	IJG Opco, LLC d/b/a CarePoint Bayonne Medical Center	Horizon Casualty Services, Inc.	Managed Care Agreement No. 1004.2188C	No
1103	24-12551	IJG Opco, LLC d/b/a CarePoint Bayonne Medical Center	Horizon Casualty Services, Inc.	Managed Care Programs effective 10/01/2017 and all Appendices	Yes
1104	24-12551	IJG Opco, LLC d/b/a CarePoint Bayonne Medical Center	Horizon Health Behavioral Health Services	Sevices Agreement No. 1004.1808C	No
1105	24-12551	IJG Opco, LLC d/b/a CarePoint Bayonne Medical Center	Horizon Healthcare Services, Inc. d/b/a Horizon Blue Cross Blue Shield of New Jersey	Sevices Agreement No. 1004.1630C	No
1106	24-12551	IJG Opco, LLC d/b/a CarePoint Bayonne Medical Center	Horizon Healthcare Services, Inc. d/b/a Horizon Blue Cross Blue Shield of New Jersey	Sevices Agreement No. 1004.1786C	No
1107	24-12551	IJG Opco, LLC d/b/a CarePoint Bayonne Medical Center	Horizon Healthcare of New Jersey, Inc. d/b/a Horizon NJ Health	Amendment to Hospital Services Agreement dated September 1, 2012 - effective 02/01/2020	Yes
1108	24-12551	IJG Opco, LLC d/b/a CarePoint Bayonne Medical Center	Horizon Healthcare of New Jersey, Inc. d/b/a Horizon NJ Health	Services Agreement No. 1004.2187C	No
1109	24-12551	IJG Opco, LLC d/b/a CarePoint Bayonne Medical Center	Horizon NJ Health (Medicaid)	Managed Care Agreement No. 1004.4011C	No
1313	24-12552	New Jersey Medical and Health Associates	Horizon Casualty Services, Inc.	Physician Group: Professional Service Agreement No. 1007.2197C	No
1314	24-12552	New Jersey Medical and Health Associates	Horizon Healthcare Services, Inc. d/b/a Horizon Blue Cross Blue Shield of New Jersey	Group Agreement with Participating Physicians and Healthcare Professionals	Yes

LIMITED OBJECTION

5. A contract may be assumed only if: (a) it is executory and (b) the debtor, at the time of such assumption, cures or provides adequate assurance that it will promptly cure outstanding defaults.

A. Some of the Horizon Contracts Are Not Executory

6. Horizon objects to the Assumption Schedule to the extent that it includes Horizon Contracts that are no longer executory, for example because they expired or were terminated prior to the Petition Date.

7. “[I]f a contract is terminated pre-petition it is no longer executory and section 365 is not applicable.” *EBC I, Inc. v. America Online, Inc. (In re EBC I, Inc.)*, 356 B.R. 631 (Bankr. D. Del. 2006). *See also Counties Contracting & Constr. Co. v. Constitution Life Ins. Co.*, 855 F.2d 1054, 1061 (3d Cir.1988) (concluding that “[a] contract may not be assumed under § 365 if it has already expired according to its terms”).

8. Horizon has determined that the following Horizon Contracts were terminated effective October 1, 2022 (i.e., prior to the Petition Date) and, thus, requests that they be removed from the Assumption Schedule because they are ineligible to be assumed:

Contract ID	Case No.	Debtor	Contract Counterparty	Description	Payor Agreement	Cure Amount
606	24-12546	Hudson Hospital Opco LLC d/b/a CarePoint Health-Christ Hospital	Horizon Casualty Services, Inc.	Hospital Agreement for Managed Care Program effective 10/01/2017	Yes	\$ -
812	24-12548	HUMCO Opco LLC d/b/a CarePoint Health-Hoboken University Medical Center	Horizon Casualty Services, Inc.	Hospital Agreement for Managed Care Programs - 10/01/2017	Yes	\$ -
1102	24-12551	IJKG Opco, LLC d/b/a CarePoint Bayonne Medical Center	Horizon Casualty Services, Inc.	Managed Care Agreement No. 1004.2188C	No	\$ -
1103	24-12551	IJKG Opco, LLC d/b/a CarePoint Bayonne Medical Center	Horizon Casualty Services, Inc.	Managed Care Programs effective 10/01/2017 and all Appendices	Yes	\$ -

9. Based on its review of the Assumption Schedule to date, it is possible that other Horizon Contracts also expired or were terminated prior to the Petition Date and, thus, are similarly ineligible for assumption or rejection. Horizon objects to the assumption of any Horizon Contracts

that expired or were terminated prior to the Petition Date and reserves the right to request the removal of additional Horizon Contracts from the Assumption Schedule

B. The Debtors Must Cure All Defaults as a Prerequisite to the Assignment

10. Under Section 365(b)(1) of the Bankruptcy Code, an executory contract may be assumed only if the debtor, at the time of such assumption, cures or provides adequate assurance that the debtor will promptly cure outstanding defaults.

11. The Assumption Schedule lists a proposed cure amount of \$0.00 for certain Horizon Contracts for which there is, in fact, a cure amount due and owing. Based upon Horizon's reconciliation to date,² the following amounts are presently overdue and must be cured as a prerequisite to the assumption of the corresponding Horizon Contracts:

Debtor	Contract Counterparty	Description	Cure Amount
HUMCO Opco LLC d/b/a CarePoint Health-Hoboken University Medical Center	Horizon Healthcare Services, Inc. d/b/a Horizon Blue Cross Blue Shield of New Jersey	Hospital Agreement and/or Managed Care Agreement No. 1003.1080C	\$50,980.00
Hudson Hospital Opco LLC d/b/a CarePoint Health-Christ Hospital	Horizon Healthcare Services, Inc. d/b/a Horizon Blue Cross Blue Shield of New Jersey	Network Hospital Agreement and all Appendices	\$3,520.45
IJG Opco, LLC d/b/a CarePoint Bayonne Medical Center	Horizon Healthcare Services, Inc. d/b/a Horizon Blue Cross Blue Shield of New Jersey	Network Hospital Agreement effective 10/01/2017 and all Appendices, Services Agreement No. 1004.1630C, and/or Services Agreement No. 1004.1786C	\$1,961.84
Garden State Healthcare Associates, LLC	Horizon Healthcare Services, Inc. d/b/a Horizon Blue Cross Blue Shield of New Jersey	Participating Physicians and Healthcare Professionals	\$3,865.04

² Horizon has identified the Debtor facilities that correspond with the cure amounts, but has not yet conclusively identified which of the Horizon Contracts corresponds with the cure amounts.

RESERVATION OF RIGHTS

12. Horizon reserves its right to amend and/or to supplement this Limited Objection as necessary or appropriate, including (a) to specify other Horizon Contracts that should be removed from the Assumption Schedule because they expired or were terminated prior to the Petition Date; (b) to clarify which Horizon Contracts the cure amounts relate to, and (c) to supplement with cure amounts that become due or amounts that, after reconciliation, are due and owing as of the date hereof.

WHEREFORE, Horizon respectfully requests that this Court enter an order (i) excluding any Horizon Contracts that have expired or terminated from the Assumption Schedule, (ii) requiring the Debtors to cure all defaults under the Horizon Contracts, including by paying any additional amounts that come due prior to the effective date of assumption, as a prerequisite to assumption; and (iii) granting Horizon relief consistent with the relief requested herein and such other relief as is just and proper.

Dated: February 28, 2025
Wilmington, Delaware

STRADLEY RONON STEVENS & YOUNG, LLP

By: /s/ Julie M. Murphy
Julie M. Murphy (DE Bar No. 5856)
1000 N. West St., Suite 1200
Wilmington, Delaware 19801
Tel: (302) 295-3805
Email: jmmurphy@stradley.com

and

Amy E. Vulpio (*Pro-Hac Vice* to be filed)
2005 Market Street, 26th Floor
Philadelphia, Pennsylvania 19103
Tel: (215) 564-8088
Email: avulpio@stradley.com

Counsel to Horizon Healthcare Services, Inc., et al.

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CarePoint Health Systems Inc. d/b/a Just Health	:	
Foundation, <i>et al.</i> ¹	:	(Jointly administered)
	:	
Debtors.	:	
	:	

CERTIFICATE OF SERVICE

I, Julie M. Murphy, hereby certify that a true and correct copy of the foregoing *Limited Objection of Horizon Health Care Services, Inc. and Affiliates to Schedule of Assumed Executory Contracts and Unexpired Leases Filed in Connection with Debtors' Combined Plan and Disclosure Statement* was filed electronically with the Court on February 28, 2025. Notice of this filing will be sent today to all parties via the Court's electronic filing system.

Dated: February 28, 2025
Wilmington, Delaware

STRADLEY RONON STEVENS & YOUNG, LLP

By: /s/ Julie M. Murphy
Julie M. Murphy (DE Bar No. 5856)
1000 N. West St., Suite 1200
Wilmington, Delaware 19801
Tel: (302) 295-3805
Email: jmmurphy@stradley.com

Counsel to Horizon Healthcare Services, Inc., et al.

1 The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number are: (i) Bayonne Intermediate Holdco, LLC (7716); (ii) Benego CarePoint, LLC (2199); (iii) Briar Hill CarePoint, LLC (iv) CarePoint Health Management Associates Intermediate Holdco, LLC (none); (v) CarePoint Health Management Associates, LLC d/b/a CarePoint Health (3478); (vi) CarePoint Health Systems, Inc. d/b/a Just Health Foundation (6996); (vii) CH Hudson Holdco, LLC (3376); (viii) Christ Intermediate Holdco, LLC (3376); (ix) Evergreen Community Assets (1726); (x) Garden State Healthcare Associates, LLC (4414); (xi) Hoboken Intermediate Holdco, LLC (2105); (xii) Hudson Hospital Holdco, LLC (3869); (xiii) Hudson Hospital Opco, LLC d/b/a CarePoint Health-Christ Hospital (0608); (xiv) HUMC Holdco, LLC (3488); (xv) HUMCO Opco, LLC d/b/a CarePoint Health-Hoboken University Medical Center (7328); (xvi) IJKG, LLC (7430); (xvii) Just Health MSO, LLC (1593); (xviii) New Jersey Medical and Health Associates d/b/a CarePoint Health Medical Group (0232); (xix) Quality Care Associates, LLC (4710); (xx) Sequoia BMC Holdco, LLC (9812); and (xxi) IJKG Opco LLC d/b/a CarePoint Health-Bayonne Medical Center (2063). The address for CarePoint Health Systems Inc. is 308 Willow Avenue, Hoboken, NJ 07030.